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USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

No. 2

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

IMPLEMENTATION OF JULY DECREE MEASURES DISCUSSED

Moscow MYASNAYA INDUSTRIYA in Russian No 11, Nov 79 pp 1-7

[Article by M. K. Barashin, deputy minister of the USSR Meat and Dairy Industry: "Improving Our Economic Administrative System"]

[Text] July 1979 saw the adoption of the decree of the CPSU Central Committee on further improvement of the economic administrative system and the tasks of party and state bodies and the joint decree of the CPSU Central Committee and the USSR Council of Ministers on "Improvement of Planning and Increasing the Impact of the Economic Administrative System on the Effort to Raise Production Efficiency and Improve Work Quality."

These decrees are of exceptionally great importance for the effort to increase the efficiency of the administration of the national economy. They reflect the scientifically based principles of the party's economic policy.

The means, modes and methods of improving the economic administrative system outlined in the decrees are in accord with the decisions of the 25th CPSU Congress, the provisions of the new Constitution of the USSR, the decisions of subsequent plenums of the CPSU Central Committee and the conclusions contained in the speeches of Comrade L. I. Brezhnev, General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet.

The need now to implement the measures which have been outlined has been generated by new requirements which are imposing on the economic administrative system greater scales of production and economic interrelationships of increasing complexity. Implementation of the program of measures outlined in the decrees has now become a primary aspect of the work of all planning and economic administrative bodies, both at the center and immediately in the localities themselves.

The adopted decrees provide for a program of measures to improve the leadership and management provided our economic development. Involved here are matters of improving the planning process, stepping up the pace

of technical advancement, incorporating scientific and technological advances into the production process, increasing labor productivity and the effectiveness of capital investments, cost accounting, economic controls and incentives as well as others. These measures are all directed toward enhancing the role played by the state plan while at the same time expanding the rights of labor collectives and toward insuring more efficient utilization of fixed capital, raw-product, material, labor and financial resources, of all of which our national economy disposes. These documents orient the the entire economic administrative system toward further increasing production efficiency and improving work quality, the achievement of good results and toward satisfying more completely the growing needs of the national economy.

The decrees which have been adopted represent a new and important stage in improving the planning process and the program of providing economic incentives. The practical implementation of these decrees is seen as an important political-economic task. Successful accomplishment of this task will contribute to the achievement of new advances in the building of communism.

Primary importance is being attached at the present time to improvement of the planning system, since the state plan is playing a greater role in the system of administration and control. Comrade L. I. Brezhnev has declared that the task of the present stage consists in raising the level of planning and economic management and in bringing them into line with the requirements of a mature, highly developed socialism.

The state plan is playing a greater role because it is the primary instrument for implementing the economic policy of the party. The efficiency with which our raw-products, materials, labor and financial resources are utilized is a function primarily of the efficiency and accuracy achieved in the planning process and of the soundness and balance characterizing all parts of the plan.

The decrees which have been adopted not only modify the procedure followed in drawing up national economic plans; they also provide for improvement in plan content itself with a view to achieving better end economic results. Great importance is attached to the interrelationship between long- and short-term plans, and the procedure to be followed in drawing up plans is set forth clearly and precisely.

The five-year plan with its distribution of targets on an annual basis plays a central role in the entire planning system. It is becoming the primary economic administrative activity of both ministries and associations and enterprises.

Preparation of five-year plans must be based on progressive technical-economic norms and standards for specific types of operation, expenditure of labor and raw-product, material and fuel and energy resources, utilization

of production capacity and for relative capital investments. The system comprising these norms will now be widely employed in preparing the 11th Five-Year Plan.

Currently in effect within the meat industry is an extremely complex system of norms and standards (more than 1,000 norms governing product output, 7,000 norms governing raw material consumption and 200,000 norms for expenditure of labor) which is subject to great fluctuations and changes depending on a great many factors. These norms are now becoming the basis for the development of our national economic plans. Many of these norms are subject to review taking outstanding performance results into consideration.

In accordance with the decree of the CPSU Central Committee and the USSR Council of Ministers, balances of raw-product, material, labor and financial resources and production capacities will be established, provision also being made for the corresponding reserves, as a mandatory part of a plan in order to insure the preparation of soundly based plans and the fulfillment of plan targets by all enterprises and organizations. Wholesale prices over the five-year period are to be maintained unchanged.

Enterprise and association passports, which are to be prepared by the beginning of the next five-year plan, will provide a reliable basis on which to compile soundly based plans. Passports should contain the necessary data on which to base intensive annual and five-year plans. In order to monitor plan discipline more closely, plan fulfillment will be evaluated in accordance with an incremental system from the beginning of a year and from the beginning of the five-year plan. This procedure will preclude the unwarranted carrying over of plan targets to the closing quarters and months of a year. In this connection, directives governing procedures to be followed in plan preparation, formerly established procedures as well as regulations governing socialist competition and a number of other documents dealing with norms and standards are under review.

Improvement of planning indicators and the criteria employed in evaluating the performance of associations, enterprises and organizations plays a crucial role in the program of measures to improve the planning process and enhance the effect of the economic administrative system on the effort to increase production efficiency and improve work quality.

The planning indicators which have been in effect up to the present time have to a considerable extent become outdated and do not fully correspond to the new tasks and requirements associated with the effort to increase production efficiency and improve work quality. This has been shown to be the case especially in connection with the utilization of cost indicators in planning total production volume and labor productivity. The essential nature of the new indicators for evaluating enterprise and association performance consists in the fact that they orient labor collectives and economic administrative and planning bodies toward improvement of the end results of their operations and toward the efficient utilization of everything produced by the collective and the entire national economy.

Replacing cost indicators are indicators more fully and accurately reflecting the actual contribution of each kollektiv; at the same time, physical indicators are playing an increasing role in production planning and in evaluating results of the performance of each enterprise. The planning of production volumes, labor productivity and wage funds will be based primarily on standard net production, and in individual branches of the industry on other indicators as well. As demonstrated by the practical experience accumulated in employing it in many branches of the industry, standard net production reflects the contribution of each labor collective and offers great advantages.

The adoption and effective application of the standard net production indicator is one of the important tasks for ministries, associations and enterprises. With the use of the standard, or normative, method of planning net output, it becomes unnecessary to strive for the production primarily of highly profitable products, since the profits achieved with respect to individual types of product are averaged. Standard net output is a component of price; it will therefore be established on the basis of average branch labor expenditures. This indicator reflects expenditures of labor for product output more accurately than other cost indicators. Marketable production will be given in the annual plans for production associations and enterprises only for the purpose of evaluating the fulfillment of obligations in connection with contracts made for the delivery of items on the products list. This means that fulfillment of delivery obligations acquires prime importance. The introduction of new indicators does not mean that gross production will not be employed in planning or in the economic system at all. Gross (commodity) production may be employed as an overall generalizing indicator of growth in production volumes at the level of a branch or single economic region in order to determine relationships in growth rates and for other purposes as well.

The task facing union-republic ministries and industrial and production associations consists in the timely preparation of documentation on standards and procedures with reference to the utilization of the new indicators and in insuring the systematic application of these and the new evaluation criteria as components of the system of economic controls and incentives. Based on the new requirements, the preparation of the draft plan for the 11th Five-Year Plan will be of great importance for the successful application of the new indicators. All efforts on the part of industry planning and management personnel should be subordinated to the accomplishment of this task. The changeover to the net production indicator will be accomplished to the extent permitted by the industry's readiness for its introduction.

USSR Ministry of the Meat and Dairy Industry of USSR scientific research institutes are currently occupied with establishment of net production norms with reference to branch labor expenditures and average profits. These norms will be officially approved in 1980 for the establishment of

production volumes, levels of labor productivity and wage fund utilization in a number of enterprises in most of the union republics and all-union industrial associations.

Further increasing the role and broadening the rights of enterprise, association and ministry collectives in the preparation of plans is of fundamental importance. Enterprises and associations will now themselves directly prepare their own five-year and annual plans, which must include provision for their supply of raw-product and material resources and other measures connected with their fulfillment. The participation of the union republics and local councils of people's deputies in the planning process is being substantially increased. For the purpose of insuring their well-integrated economic and social development, five-year and annual union-republic plans will include indicators from plans for the production associations, enterprises and organizations under all-union authority located within the given republic. This indicates a strengthening of the centralized planned direction of the economy with further development of democratic principles in the control of production. The mutual relationships between the industry and territorial planning processes are being improved at the same time.

It should be kept in mind that certain provisions of the decree will be going into effect as early as 1980; the plan for economic and social development for the 11th Five-Year Plan will be drawn up in accordance with the measures it outlines. Union-republic ministries, industrial and production associations and enterprises and organizations should therefore organize their efforts such that the process of preparing a draft plan for the 11th Five-Year Plan is accompanied by an active and vigorous search for new ways to increase production and substantially improve the indicators for efficiency and quality and by greater efforts to achieve plan targets.

Plan targets for the lowering of norms for the consumption of the most important types of raw-product and material resources are acquiring far-reaching importance. The introduction of this indicator will orient production collectives toward reducing the material-intensiveness of production. This is of exceptionally great importance in the meat industry, since the relative weight of the raw product and materials involved comes to 92-93 per cent and each per cent of reduction in expenditures for materials makes it possible to increase income for the industry as a whole by a total of approximately 250 million rubles.

In order to improve the supply of materials and equipment for production, provision has been made for changing associations and enterprises over to a system of long-term economic relationships, this to occur for the most part in 1980, and for expanding the practice of insuring full supplies of materials and equipment on the basis of agreements with supplying organizations. This will fundamentally alter the system of material and technical supply which has become established over the years.

One of the most important features of these measures to improve the economic administrative system consists in further increasing the efficiency with which labor resources are employed within the national economy, in insuring a high rate of growth in labor productivity, in improving working conditions and in improving the system of material and moral incentives. Great importance is attached to this, because the rates of growth in labor productivity, the organization of labor and the wage system, the utilization of labor resources and the state of labor discipline do not now measure up to the growing requirements of socialist production. Provision has been made to resolve these problems by means of improving plan indicators and the criteria employed in evaluation, by developing standards and balances for the utilization of labor resources and by increasing the economic impact on social and production working and living conditions and enhancing the role of labor collectives. In the decrees which have been adopted, the labor productivity indicator has been put forward as one of the primary indicators to be employed in both planning and the system of economic incentives. In order for the labor productivity indicator to take more accurate account of the contribution of a collective's contribution, provision has been made for a gradual changeover to a procedure whereby labor productivity is also calculated on the basis of the standard, or normative, net production indicator. A system indicators for the introduction of new equipment is being introduced in plans at all levels of administration for the purpose of accelerating rates of growth in labor productivity. Measures insuring efficient utilization of labor resources have also been included. The rights of the councils of ministers of the union and autonomous republics and of the executive committees of the councils of people's deputies with respect to the process of establishing labor resource balances in both long- and short-term planning are being broadened. Together with the total number of workers and employees given in ministerial, association and enterprise plans, five-year plans (with targets allocated on an annual basis) will now establish a target for reduction of the manual labor component. The target in this instance will not be revised in the annual plans.

The universal introduction of the brigade form of labor organization is the most important aspect of the effort to improve the management of labor. The brigade form of labor organization should become the principle form over the course of the Eleventh Five-Year Plan, since it is precisely this form that creates greater possibilities for the application of a scientific organization of labor and develops a sense of collectivism within members of the brigade. Approximately 40 per cent of the workers currently employed in the meat industry are paid in accordance with a collective labor wage system.

The establishment of labor norms is playing an increasing role as a basis for labor-resource planning and allocation. Great importance is being attached to an effort to stimulate the introduction of technically-based norms. The relative proportion of technically-based norms within the meat industry is now fairly high (90 per cent); some of them are now being reviewed, however, since today they can no longer be considered solidly

based from the technical point of view. For the purpose of stimulating worker initiative in the introduction of progressive, technically soundly based labor norms and in reviewing and revising these norms on a timely basis, provision has been made for one-time lump-sum awards of up to 20 per cent of the wage rate to be paid for economies achieved by revising these norms.

The changeover to norm-based wage planning is making it possible to broaden enterprise rights to use of savings achieved in comparison with the long-term norm to provide additional incentives to greater productivity and improved work quality. Associations and enterprises have been granted the right through wage-fund economies achieved to pay bonuses of up to 50 per cent of the wage rate to workers for performing two jobs and for fulfilling the plan with fewer workers, as well as bonuses to engineering and technical personnel, employees, but primarily to foremen, for mastery of their professional skills. The economic incentive as well as the responsibility of workers and ITR for higher labor indicators is thus being increased.

Bonus systems are playing an increasing role as incentives to greater production efficiency and improved work quality. Bonus regulations currently in effect will be revised and implemented in accordance with the procedure prescribed for the establishment of economic incentive funds and the criteria for evaluating association (enterprise) performance.

State plans for the economic and social development of ministries and associations (enterprises) will include targets for the adoption of advanced experience in the areas of technology and the scientific organization of labor, production and management.

The state plan includes a special section entitled "Development of Science and Technology," which provides for the implementation of scientific and technological programs, the introduction of new types of products, the adoption of advanced technology, mechanized and automated equipment, automated control systems and much else. Ministerial, association and enterprise plans are increasing the range of mandatory indicators for technical improvement of production operations and economic gain derived from the implementation of scientific and technical measures.

The changeover of scientific research, planning and design and technical organizations and scientific production associations to a cost-accounting system of organizing operations on the basis of supply orders (contracts) is to be completed before the end of the current five-year plan. The economic gain achieved by the national economy as a whole, that is, by the industry and not simply by the enterprise implementing it alone, is to be considered the end result in this instance. These measures will contribute to acceleration of the development of new types of products and production processes and their introduction as speedily as possible. Scientific research, planning and design and technical organizations should be changed

over to the system of accounting for work fully completed and accepted by the customer. This procedure will also impose greater responsibility on these organizations and accelerate the development of scientific research projects and the introduction of their results into the production process.

Economic incentives, autonomous financing, which should be oriented toward achievement of the greatest possible operational efficiency and improvement in work quality, are assigned an important place in the program of measures to improve the management of the economy. It has been seen as necessary to insure the most extensive application of these cost accounting procedures and their introduction into the practical operations not only of individual enterprises but of the industrial ministries as well. It has been provided that under the new economic administrative regime, the share of the profits remaining at the disposal of individual enterprises and associations will be determined by the end results of their operational performance. This approach is designed to contribute to the further development of initiative, to increasing the incentive of labor collectives to improve the quality of their work and insures strict ruble control of the efficiency of the performance of production operations. In the case of nonfulfillment of the annual plan for profits, the share of the latter remaining at the disposal of an enterprise, an association or the industry will as a whole be smaller; but there will be no reduction in budget revenue payments in this instance. This fundamentally new situation requires that ministerial, association or the industry will as a whole be smaller; but there will be no reduction in budget revenue payments in this instance. This fundamentally new situation requires that ministerial, association and enterprise officials devote greater attention to the matters of increasing efficiency and insuring fulfillment of the plans for profits. Production association and enterprise cost accounting will be established on the basis of five-year plan targets and long-term economic norms. Results of the economic performance of production enterprises and associations will be evaluated on the basis of four indicators: fulfillment of plans for product deliveries with respect to both products list (assortment) and delivery time as specified in concluded agreements (orders); increase in labor productivity; improvement in product quality; and increase in profits (or reduction in production cost). It is precisely these indicators which characterize the end results of the performance of the first echelon of production.

Profits are becoming substantially more important; they will be planned as a component of the five-year and annual plans as the primary source for the establishment of economic incentive funds and for increasing the state budget.

The five-year plan will provide for economic incentive funds to be used for the purpose of providing greater material incentive to and imposing heavier economic liability on enterprises and associations. The funds thereby established are to be used only for the specifically designated purpose. Any balances remaining in these funds are to be carried over into the

following year and may not be withdrawn. An economic incentive fund is to be established in accordance with the increase in labor productivity achieved, the improvement in production quality and insofar as deliveries of products to consumers are accomplished in accordance with the orders and contracts made. This requires an entirely different attitude toward the matters of establishment of an assortment, the organization of labor and adherence to requirements imposed by standards, technical specifications and production and technological discipline. The establishment and utilization of funds to support social and cultural activities and the development of production operations are bound up with the tasks of the technical re-equipment of enterprises and providing workers with living space and other personal and domestic services.

The procedure to be followed in distributing profits is being modified substantially. The task has been set of changing over gradually to a norm-based system of profit distribution. Stable standards as bases on which to allocate profits of which enterprises, associations and ministries come to dispose increase the responsibility of these organizations for the end results of their financial and economic performance and for a more efficient utilization of raw-product, material, labor and financial resources.

A procedure governing budgetary payments for uncredited, above-norm stocks of physical assets and uninstalled equipment accumulated at the expense of industry resources is to be introduced to strengthen the cost-accounting system. This regulation requires economic administrators at all levels to take steps to reduce stock levels above those permitted by norm provisions and to report them in accordance with norm requirements.

The new program of measures assigns a special place to production quality. An economic incentive fund will be established on the basis of profits accrued, dependent on increases in the output of high-quality production and in accordance with permanent norms established in the five-year plan.

An economic incentive fund will be added to in accordance with higher norms for increases in output of these products, on the basis of lower norms in the case of nonachievement of plan targets.

These provisions are of exceptional importance to the meat industry, since most of the industry's production is not graded and there are no scientifically valid criteria for rating production quality which could serve as an indicator on which to base production grading and by which to guide the establishment of an incentive fund. Development of such an indicator is an urgent task for our scientific research institutes and the divisions of the ministry concerned.

State standards, now scheduled for review in this connection, have been assigned an important role in insuring high production quality. Currently in effect within the meat industry are approximately 150 state and 300

industry standards and technical specifications and roughly 500 republic technical specifications. Many of these are being revised to increase requirements imposed on raw materials and finished production.

An important role in the implementation of these measures to improve the planning process and strengthen the impact of the economic administrative system on the effort to increase production efficiency and improve work quality belongs to the personnel of our scientific research and planning and design organizations. It is primarily they who must take the lead in the development of directives on methods and standards, continuously generalize from the practical experience accumulated in the employment of new methods of planning and the utilization of economic incentives and prepare recommendations concerning achievement of the highest possible results from the industry's production operations.

The decree of the CPSU Central Committee and the USSR Council of Ministers on "Improvement of Planning and Increasing the Impact of the Economic Administrative System on the Effort to Raise Production Efficiency and Improve Work Quality" outlines a program of measures to improve construction operations as well. It deals with matters of both the organization of construction operations themselves and of the delivery of construction materials, as well as with the financing and planning of construction and the organizational forms employed in establishing the direction of construction operations. But primary importance is assigned to the modernization and technical re-equipment of existing enterprises. This matter has until now not received the attention it should have, despite the fact that the experience accumulated over many years has demonstrated the unquestionable advantages of modernization as compared with new construction. One cause of this state of affairs is a shortage of material resources and equipment. A new approach is now being taken to the planning of capital construction--the planning of capital construction and the modernization of existing facilities is to be accomplished as a single task. Enterprise, association and ministerial plans will take into consideration first of all the potential for increasing production output in existing enterprises by means of fuller utilization of production capacities. Material resources will be allocated primarily for technical re-equipment and modernization. Resources for the construction of enterprises will be allocated only in those cases in which national economic requirements cannot be met by existing enterprises after their modernization and technical re-equipment. These measures will make it possible to reduce the time required for the construction of facilities and to reduce the volume of unfinished production. The decree which has been adopted establishes a system of indicators serving as a reference source and making it possible to evaluate the level of economic performance achieved in construction operations, above all with respect to bringing new capacities and facilities into operation within the periods of time planned. The primary evaluation indicator is the bringing into operation of fixed capital, production capacities and facilities, including capacities increased as a result of technical re-equipment and modernization of

enterprises. The system of indicators established for construction organizations also conforms to the requirement for the accomplishment of this task.

Provision has now been made for the priority allocation of material resources, equipment and capital investment for modernization and technical re-equipment. Resources will be allocated for new construction only if planned production cannot be accomplished with the use of existing capacities after their modernization or re-equipment.

A great deal of attention is being devoted during the Tenth Five-Year Plan to the matter of increasing production capacity in existing enterprises through modernization and re-equipment. But the share of capital investment in modernization and re-equipment is still growing only slowly. In the meat industry it comprises approximately 20 per cent of total investments. Balances and calculations for utilization of existing production capacity and fixed capital and modernization and re-equipment plans should now be prepared as components of five-year plan drafts for the purpose of more fully identifying resources available for increasing production output in existing enterprises. Only on this basis can there be a decision reached as to the advantage or advisability of new construction.

The rights of association and enterprise managers are being broadened. They themselves will approve title lists for the re-equipment of production facilities regardless of estimated cost, but within limits established for them. Estimates for these operations must include provision for bonus payments for re-equipment of existing enterprises. Established capital-construction planning practice requires through review in this connection.

Provision has been made for the completion in 1981 of the introduction of estimates between customers and contractors covering enterprises and other facilities fully completed and turned over for operation. The total volume of contract work for construction and installation organizations will now serve only to establish overall demand for materials and equipment, wages, working capital and credits.

The decree of the CPSU Central Committee and the USSR Council of Ministers also includes measures to improve the procedure employed in preparing planning estimates. Five-year plans for planning and surveying operations are to be coordinated with capital construction plans. When construction of an enterprise will take more than two years, it has been seen to be to advantage to prepare plans and estimates, not for the entire volume of construction involved, but rather only for the initial, starting, phase of the projects. Interim payments by the customer are being eliminated to accelerate planning and surveying operations and to improve their quality. Payment will now be made only for completed enterprise construction projects and first-phase complexes, units and facilities.

An important role is being assigned to the stability of a capital construction plan. Beginning with the 11th Five-Year Plan, a stable five-year plan

will be approved for construction organizations for each of the years involved, a plan that will not be subject to change and be balanced with respect to construction organizational capacities and material, financial and labor resources. New indicators have been established for level of performance in construction operations. The most important is the one for bringing new production capacities and facilities into operation. These indicators will provide a basis for evaluating the economic performance of construction organizations and the use of economic incentives in connection with their operations. The 11th Five-Year Plan also provides for completion of the changeover to the system of estimates between customers and contractors covering enterprises and facilities fully completed and turned over for operation. This in itself will create incentives for the completion and turnover as rapidly as possible of facilities to be brought into operation. The entire program of measures to improve the planning of capital construction has been directed toward increasing the efficiency of the utilization of state resources and accelerating scientific and technical advances in construction.

Reorganization of the economic administrative system is a complex matter requiring a great deal of organizational work on the part of all administrative bodies involved, as well as of associations and enterprises themselves. They have been set the task of insuring adherence to quality standards of work in the process of preparing the five-year plans and of thoroughly justifying them with reference to engineering and economic resources.

The quality of the five-year and annual association and enterprise plans which are prepared will greatly depend on the state of our economic planning operations. It is therefore necessary to take steps to strengthen our economic services and in a well thought out manner to organize economic studies within production collectives and administrative bodies.

The decisions which have been made for the purpose of improving the planning process and the entire economic administrative system must now be extensively explained so that all personnel thoroughly understand the fundamental nature and importance of the measures which have been outlined and participate actively in their implementation.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

MINISTER DISCUSSES WHOLE TRADE SYSTEM

Moscow KOMMERCHESKIY VESTNIK in Russian No 24, Dec 79 pp 4-9

[Article by P. Mitskunas, minister of trade of the Lithuanian SSR: "Our Economic Strategy Is To Emphasize Effectiveness"]

[Text] Eight times in a row since 1975 in the all-union socialist competition of work collectives of state trade enterprises and organizations "Increasing the Effectiveness and Quality of Work, the Successful Fulfillment of the Goals of the 10th Five-Year Plan" the Lithuanian SSR has retained the challenge Red Banner of the USSR Ministry of Trade and the Central Committee of the trade union of state trade and consumer cooperative workers. The Lithuanian SSR has one of the country's highest growth rates in merchandise turnover as well as other economic indicators: successfully incorporating progressive forms and methods of merchandising, improving commercial activities and strengthening the ties connecting the trade network to industry. Pranas Pranovich Mitskunas, minister of trade of the Lithuanian SSR, discusses in his article how this work is being performed.

The main trends in the improvement of management under conditions of the large-scale economy of mature socialism have been set forth in the decisions of the 25th CPSU Congress, CPSU Central Committee plenums and in Comrade L.I. Brezhnev's speeches. The decree of the CPSU Central Committee and the USSR Council of Ministers "On Improving Planning and Strengthening the Influence of the Economic Mechanism on Increasing the Production Efficiency and Quality of Work" is aimed at further developing democratic principles in management and creative initiative among labor collectives. It won firm approval and support in the Lithuanian SSR trade organizations and enterprises because our economic and political strategy is to emphasize efficiency and, ultimately, to improve the trade services to the public.

To a considerable extent this is promoted by improvements in merchandising, extensive use of progressive methods of organizing the trade process, careful attention to commercial work, replenishment of trade resources, employing first and foremost local sources, strengthening of ties to industry, increasing the influence of the trade network on enterprises producing consumer goods to expand product assortment and improve quality.

A number of measures aimed at eliminating the multiplicity of merchandising organizational levels has been implemented. This work is being conducted along two interrelated avenues: improving the management structure of trade organizations and developing an efficient system at the wholesale level.

These changes began when meaningful measures to strengthen the material-technical base of the wholesale trade were adopted. To this end as much as 18 percent of capital investments aimed at developing this field was directed to providing for the utilization of 75 thousand square meters of storage space and refrigeration units for simultaneous storage of 7.8 thousand tons of products, and also supplied modern equipment to wholesale distribution centers. The main economic, organizational and analytical work for specific product types was concentrated at two of the republic's food distribution and six of its nonfood distribution centers specialized by product type. Specialization in the retail trade network in commercial and informational respects is oriented toward specialization at the wholesale level. And, in turn, this has made it possible to reassess the wholesale functions relative to the retail trade organizations.

Since 1968 all republic-level wholesale organizations of our ministry located in Vil'nyus have been assigned the functions of intermediate wholesale trade units. These functions include the storage of current and seasonal product stocks, which are delivered to the retail stores on the basis of orders placed by the city trade organizations. As a result, the trade organizations of Vil'nyus, the retail merchandise turnover of which totaled over 632 million rubles in 1978, i.e. 17.8 percent of the republic's total merchandise turnover and 41.4 percent of the retail merchandise turnover of the ministry's network, did away with their wholesale distribution centers and warehouses for nonfood consumer items. In 1977, the Kaunas affiliates of the republic wholesale distribution centers "Littekstil'torg," "Littorgodezhda" and "Litobuv'torg" were assigned analogous functions as intermediate wholesale trade units. Here too the wholesale distribution center of the Kaunas Manufactured Goods Merchandising Organization, the relative share of the merchandise turnover, which is 26 percent of our ministry's total, was done away with. We consider that as the material-technical base of the republic's wholesale organizations and their affiliates is strengthened, the functions of intermediate wholesale units will expand in terms of both greater area served and an increased product mix.

Not so long ago each of the republic's rayon consumer society unions and rayon consumer society cooperatives also had its own wholesale distribution center. We then underwent a reorganization. At present interr rayon distribution centers, performing the functions of intermediate wholesale units for both national trade and consumer cooperatives, are in operation. There are already six of them, and this makes it possible to eliminate duplication and to operate more efficiently. It should be noted that the development of intermediate wholesale units in the Lithuanian consumer society union is directly connected with improvements in the work of the Ministry of Trade's republic-level wholesale organizations. The fact is that the "Littekstil'torg," "Littorgodazhda" and "Litobuv'torg" and their Kaunas affiliates have for a number of years delivered goods directly to consumer cooperative stores. This is why the Lithuanian consumer society union does not organize within its own network wholesale storage warehouses for the product types mentioned.

Thus, a single-unit wholesale merchandising system has in essence been created in the Lithuanian SSR on the following pattern: industry to republic wholesale distribution center (office) to retail store or industry to interr rayon (rayon) distribution center of the Lithuanian consumer society union to retail store. The idea is for the Ministry of Trade's republic-level wholesale distribution centers and their affiliates to expand constantly their functions as intermediate wholesale units, thereby including all trade networks in the republic (regardless of organizational subordination) and, in the process, newer groups of goods.

In our opinion, the constant increase in the share assumed by the wholesale unit and the more complete utilization of retail reserves should insure a considerable increase in the economic effectiveness of the trade network. Containerization, i.e. the delivery of food and also a number of manufactured items in containers (packets) directly from industrial enterprises or distribution centers to retail stores where they are used as display cases, holds great potential. Of course, the most effective use of transport/display cases and containers is achieved only under conditions of widespread use of self-service at the retail level. We have substantial experience in this area. The trade network workers of the republic's port city of Klaypeda have become innovators of progressive methods. These methods were later widely used in Kaunas, Druskininkay and other of the republic's cities, and in recent years in the Lithuanian consumer society union system as well. Suffice it to say that almost 60 percent of the retail trade enterprises of the Lithuanian SSR Ministry of Trade operate using progressive methods, and the share of their merchandise turnover exceeds 70 percent. Correspondingly, the number of self-service stores has also increased. In the current year their number has risen to 53.7 percent of all such enterprises, and their share of merchandise turnover to 64.2 percent. Self-service has revealed tremendous reserves for increasing the effectiveness and quality of work: the customer capacity of these stores has increased 40 percent. Each family, as sociological studies have shown, saves an

average of approximately 10 hours per week. The merchandise turnover per 1 square meter of floor space has increased 10 percent. The work of 100 self-service food stores is equivalent to that of 115 stores operating by old methods. And this is significant under conditions of the current insufficient floor space (there is an 18 percent shortage measured against the established standard). Let us note that the number of food stores using a standardized product mix is constantly increasing. They now account for more than 60 percent of the merchandise turnover of self-service food stores.

The use of transport/display equipment has considerably reduced the handling of goods, including transport and material handling operations as well as expenditures associated with them and has noticeably improved the utilization of display space (resulting in reduced storage and auxiliary facilities as well as made it possible to display a greater number of goods in the store proper). The stores' product mix has been expanded. Additional conveniences in the selection of needed items have been introduced. At present almost 30 thousand containers located in 132 city stores are in use in the Ministry of Trade's network. Almost the same number of stores can handle containerized goods using mechanized equipment. Not only many food products from processing plants but also potatoes, fruits, vegetables, and also a considerable number of nonfood products--footwear, clothing, and so forth, are delivered to stores and placed on sale in such containers.

The "geography" of container utilization is constantly expanding to include new products and new industrial and trade enterprises. Containers are widely used for store delivery and sale of local mineral water (60 percent of total), bread, beer and nonalcoholic beverages, confectionery products, and so forth. Klaypeda residents, for example, currently buy 70 percent of their food products from containers. All food stores of the Kruskininkay resort without exception use containers. In the near future the republic capital of Vil'nyus will begin receiving containerized sugar from the Panevezhis Sugarprocessing Plant, confectionery items from the "Pyargale" factory, wine from the "Anikshchyu vinas" production association, canned goods from the Vil'nyus Canning Plant, milk products from the city's milk combine, beer from the "Tauras" brewery, and so forth. In 1978, when a sufficient number of containers had become available and stores and transport vehicles had been adapted to accommodate them, all the stores of the Vil'nyus "Plodoovoshch" association of wholesale-retail trade commenced the sale of fruits from containers. A savings of 380 thousand rubles was noted as a result of these innovations. In addition, this method eliminates the need for additional product handling, an improvement which makes it possible along with other advantages to maintain better product quality during transport and storage. Our organizations currently have 21 thousand containers for this purpose. The workers of the Vil'nyus "Plodoovoshch" association loaded into containers the majority of this year's crop of carrots and cabbage, early-season vegetables and greens directly in the fields.

The use of transport/display equipment has begun in the sale of nonfood items as well. In Vil'nyus three specialized shoe stores of the city trade organization for sale of manufactured goods and a department store are now selling footwear from containers. This has made it possible to display 2-3 times more items to the customer in the same space! Merchandise turnover per 1 square meter of floor space has increased by 46 percent. Containers not only have replaced the old equipment with new, more convenient equipment but have also released store employees from heavy physical labor. The role of industrial enterprises and wholesale distribution centers is also substantially changing. As a result of the elimination of intermediate merchandising units the level of responsibility to the customer of industrial enterprises, trade organizations and wholesale distribution centers has increased. The leather-footwear industry production association imeni P. Eydukyavichyus guarantees the high quality of its products by using containerization. The analogous Shyaulyay association "El'nyas" is also making attempts in this direction. The "Litobuv" torg" wholesale distribution center selects a portion of the footwear product mix, checks its quality and delivers it to the stores in containers. The stores' need for storage space is reduced to a minimum, and the need to verify quality is eliminated. Store employees have considerably greater ability to serve their customers and provide the necessary consultation. Of course, not all problems connected with improvements in merchandising are easily resolved. What is needed here are the joint efforts of both the trade network and transport organization employees. It is in this area that at times a number of difficulties arise, e.g. parochial approach, lack of standard-setting documents, and so forth. Nonetheless, new, progressive trade methods are being successfully incorporated; they are the wave of the future.

In speaking of improvements in merchandising, I would like to mention yet another area which in our view is progressive and deserving of attention. Some time ago we elected to expand the network of food stores which also handle everyday manufactured items. These stores have proven themselves and have been well received by the customers. A centralized warehouse (760 square meters) subordinated to the wholesale distribution center of the trade organization administration has been built in Vil'nyus in order to increase product assortment, provide greater satisfaction of customer needs for nonfood necessities, increase the effectiveness of their operation and insure a more efficient use of floor space. It provides a wide selection of household "odds-and-ends" (in accordance with a stocklist approved by the trade organization administration of the city executive committee) to 13 food stores operating with standardized stocklists. The minimum stock this year has been expanded from 220 to 330 items. These lists are established for specific stores in such a way as to take into consideration first of all the distance to manufactured goods stores. Warehouse turnover in the current year slightly exceeded 2 million rubles. The use of containers, and in the near future cassette containers, is planned for product deliveries. Measures aimed at incorporating new

product supply technology at these stores and at the centralized warehouse are presently being developed. Such measures will make it possible to increase labor productivity at the above-mentioned retail enterprises approximately 2.2-fold and will insure a savings of about 25 thousand rubles. This system will gradually be extended to other cities as well.

The republic's Ministry of Trade, city executive committees and wholesale and retail trade organizations work hard to identify additional product resources, using first of all local sources. Before orders are placed, wholesale network employees determine the actual potential for increasing the production of items for which additional output is needed. This work is performed jointly with industry workers right at enterprises. It is here that old styles and patterns are replaced by new ones. For example, based on our wholesale distribution center proposals in the past year, 900 new styles of readymade clothing, 414 knitwear and 100 hosiery items, over 300 footwear styles, about 100 entertainment, haberdashery and household articles have been introduced. Particular attention is paid to increasing the assortment of children's items. Thus, for example, in 1978 3.8 million rubles worth of children's articles above the plan figures was produced. That figure includes 3.2 million rubles of knitwear and 0.6 million rubles of readymade clothing items.

In order to satisfy customer demand more completely the ministry annually assigns the wholesale distribution centers the task of finding additional resources both at the republic's industrial enterprises and those of other republics. The distribution centers keep the ministry informed on a quarterly basis as to the progress made in fulfilling these assignments. Proposals to increase production of items, the demand for which is not being satisfied, have been developed. They are systematically submitted to Gosplan, all industrial ministries and departments and also to all-union level enterprises.

This work is yielding positive results. In the course of the first 6 months of 1979 the ministry's distribution centers and offices found more than 5 million rubles worth of goods at the republic's industrial enterprises. They included electric appliances, school and office supplies, toys, radios, metal, plastic, textile and leather haberdashery articles, perfume and cosmetic items, souvenirs, and so forth. In addition, the republic's industry overfulfilled the plan by supplying 12.7 million rubles worth of goods to the trade organizations.

Work to incorporate new product types and to expand selection is continuing. As a result of this the republic's Ministry of Light Industry's enterprises renewed 64 percent of the readymade clothing styles, over half of the knitted outerwear styles, almost 38 percent of underwear types, and also 41 percent of the hosiery articles. New items include 52 types of materials, 273 patterns and types of footwear, 193 entertainment, household and haberdashery articles, and 464 souvenirs. The republic's trade network now

handles such novelties as men's velveteen suits, girls velveteen overalls, raincoats made of fabric blends, children's suits made of wool and cotton jeans material, "Shilyalis-Ts-401" color televisions, "Shvenchenis" tents, electric waffle-iron, interesting flower vases and a number of other needed articles.

In discussing the need to strengthen the ties between the trade network and industry, one should single out in particular the role of the annual wholesale trade fairs. The fairs aid in determining the product assortment which best satisfies the public's needs and which new products should be produced. Before 1979, the republic's wholesale fairs were held for individual light industry product groups (readymade clothing, knitwear, footwear, fabrics) and for entertainment, household and haberdashery items and souvenirs. A considerable number of specialists were diverted from normal duties to conduct the fairs, and sizeable sums of money were spent. The multitude of fairs at times reduced their significance because of insufficient preparation. They did not make it possible to display at the same time a wide range of items expected to be produced in the coming year.

In 1979 for the first time only two wholesale fairs were held: one--to include all light industry products and the other: entertainment, household and haberdashery articles and souvenirs. This approach made it possible to insure a wide display of products, to include in the fairs a larger number of enterprises and organizations and to make better use of specialists. The wholesale distribution centers and industrial enterprises jointly set up an appropriate display of product samples manufactured in the republic. Retail prices and the expected output for the next plan year were indicated. The republic's wholesale distribution centers and major retail trade organizations of the Ministry of Trade as well as the Lithuanian consumer society union's wholesale interrayon centers and, of course, industry representatives. On exhibit were samples of consumer goods for 1980 manufactured by over 140 industrial enterprises of the Ministries of the Light, Local, and Furniture and Woodworking Industries, the Ministry of Industrial Construction Materials, the Ministry of Internal Affairs, the "Litbytkhim" and "Litbumprom" production associations, the State Committee for Publishing Houses, Printers and the Book Trade, the Theatrical Society and some other societies, and also all-union enterprises. The product assortment was agreed upon at these fairs and contracts to supply these products to the trade organizations in 1980 were concluded. A total of 792.5 million rubles worth of consumer goods, including readymade clothing, knitwear, hosiery and fur articles for 368 million rubles, were purchased and contracted for at the fairs.

A total of 1,130 new types, models and patterns for ~~sewn~~ clothing, knitwear, footwear and haberdashery articles and also 533 new entertainment, household items and souvenirs were displayed at the fairs for sale in 1980. As many as 747 display articles awarded Quality Seals, 178 coded "N" and 149 displaying Olympic symbols were exhibited at the fairs. Of these items, 37.5 percent of the knitted underwear assortment, 56 percent of shirts and

blouses, 41.2 percent of hosiery articles and 81.4 percent of leather footwear was new.

The fairs, which had been well prepared and carefully organized, resulted in the conclusion of actual contracts for the supply of goods, established the extent to which the product mix proposed by industry conforms to popular demand, made it possible to correct a number of plan figures in good time, spurred industrial enterprises and the wholesale network to direct their efforts toward maximum utilization of unused potential in order to find additional resources for the goods for which additional output is needed.

The fair was well received, and thus contracts for essentially all ready-made clothing, especially children's articles, cotton items for adults, raincoats, fabric blends and imitation leather were concluded. Demand for velveteen items is particularly high. Output of these items will be increased by 48 percent in 1980 as compared with the current year.

For the purpose of influencing the work of the industrial enterprises after an inspection of individual product groups reports were drawn up at republic-level wholesale fairs indicating any complaints as to selection, quality, labeling and appearance. The fair committee reviewed all disagreements which had arisen in the process of concluding economic contracts between suppliers (industry) and customers (trade organizations). At the conclusion of the fairs the public was invited to view the goods currently in production and those planned for the coming year; something which resulted in valuable comments and proposals.

On the basis of the work of the wholesale fairs a number of decisions aimed at increasing production, expanding selection and improving the quality of consumer goods was made. The republic's proposals in the most important areas have been prepared for submission to Gosplan, which is presently undertaking measures to implement them. All of this will make it possible to satisfy the public's increased demands.

In our view, this type of wholesale fair experience is worthy of study and promotion in other union republics as well. It would be advisable to hold combined interrepublic wholesale fairs for all light industry products.

Soviet Lithuania trade network personnel are studying in depth and implementing the decree of the CPSU Central Committee and the USSR Council of Ministers "On Improving Planning and Strengthening the Influence of the Economic Mechanism on Increasing Production Efficiency and the Quality of Work." They are resolved to use fully the new potential resulting from this extremely important document, to constantly improve product handling, to actively employ economic and organizational levers for influencing industry to satisfy more fully the public's needs and to improve trade network service.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

BETTER USE OF DAIRY INDUSTRY RESERVES URGED

Moscow MOLOCHNAYA PROMYSHLENNOST' in Russian No 1, Jan 80 pp 1-4

[Article by M.K. Barbashin, deputy minister of the meat and dairy industry of the USSR: "Bring Production Reserves Into Operation"]

[Text] One of the primary tasks facing dairy industry people is to increase in every possible way the efficiency with which they utilize raw and other production materials. Accomplishment of this task lies at the center of the attention of all labor collectives; they view matters related to economy in the use of raw and other material resources as a program of importance to the entire national economy. A study was devoted to this problem at a meeting of the meat and dairy industry employee aktiv held in November 1979, in which leading personnel of the republic ministries, industrial and production associations, large enterprises and scientific research and planning organizations participated. A broad range of questions dealing with the matter of bringing production reserves into operation, of enhancing production potential, was discussed at the meeting.

As was pointed out at the meeting, persistent efforts in the procurement and rational utilization of raw product resources constitute a crucial condition governing any increase in production output, enhancement of production quality or increase in the efficiency of production operations.

Industrial enterprises play an exceptionally great role in this connection, since they are the agents which procure milk, conclude contractual agreements and monitor their execution.

The presentations of meeting participants and analysis of industry operations indicate that where enterprise, association and ministry officials continuously concern themselves with procurement-related matters, where there is organized monitoring of fulfillment of the plan for sales of milk to the state and of its expenditure to meet internal economic requirements and where purchases of milk from among producers in the population are well-organized, enterprises are substantially provided with their raw material products and, as a rule, achieve their plan targets.

The raw product procurement operations conducted by the Chelyabinsk Dairy Industry Association (M.M. Titov, general director) are worthy of consideration. Questions concerning milk procurements are subjects of discussion each month within this association at meetings of the Council of Enterprise Directors. Each plant monitors fulfillment of contractual obligations. Association and enterprise personnel maintain close contacts with kolkhozes and sovkhoses, visit them frequently and are aware of the state of affairs in the area of milk production and are able consistently to achieve reductions in the expenditures of milk to meet internal economic requirements.

This made it possible in 1979 to increase kolkhoz and sovkhos milk marketability compared with 1978 and to increase substantially milk purchases from producers among the population.

Managerial personnel in the Astrakhan', Orenburg, Murmansk, Khabarovsk and a number of other dairy industry associations are engaged in a great deal of organizational work in connection with the fulfillment of milk purchase plans.

At the same time, however, a number of associations are failing to devote the requisite attention to this important matter, in consequence of which the marketability of their milk is being reduced; milk is being expended to meet internal economic requirements in quantities substantially in excess of established limits.

Dairy industry enterprises are continuing to expand their direct relationships with kolkhozes and sovkhoses by gradually changing over to a system of receiving and collecting milk directly at the locations where it is produced. Over a 9-month period in 1979, industry transport brought in a nationwide total of 8.2 million tons of kolkhoz and sovkhos milk, which made it possible to reduce the time required for the delivery of the raw product and to improve its quality.

These operations are being conducted in the Belorussian SSR, the Lithuanian SSR, the Latvian SSR, the Moldavian SSR and the Estonian SSR better than in the other republics, 50-70 percent of the total quantity of milk being received at points directly on the farms in these republics.

The changeover to a system of receiving milk directly on the farms that produce it is being accomplished at an insufficiently rapid pace in a number of union republics (RSFSR, Kazakh SSR and other); there are deviations from established procedures, and association and enterprise managers are failing to demonstrate the requisite persistence in bringing local agencies to deal with the matter of preparing kolkhozes and sovkhoses for milk delivery at the point of production and allocating the means of transportation required.

It was emphasized at the meeting of the industry employee aktiv that increasing production output by means of improving the structure of production and

by incorporating new types of production has become a basic direction in the operations of all enterprises within the industry and of its controlling bodies.

Full utilization of raw-product and other production materials and the introduction of all available reserves and resources into the economic turnover play no small role in this regard. A number of important measures directed toward improving the utilization of secondary raw materials have been taken within the dairy industry in recent years. During the period 1976-1978, 24 plants and shops were constructed and put into operation to produce powdered skim milk and whole milk substitutes with a total capacity of 220 tons of finished product per shift. This made it possible to increase the production of powdered skim milk and whole milk substitute 1.6-fold as compared with 1975.

During the first 3 years of the five-year plan, the utilization of skim milk for product manufacture was increased 44 percent for the industry as a whole; the use of buttermilk grew 42 percent, the use of whey 1.7-fold. The steps which have been taken to increase milk resources and achieve fuller utilization of raw materials have contributed to improving the economic efficiency of production. The rate of growth in profits from industry operations during this period was almost 3 times greater than the rate of growth in product sales.

Enterprises of the Belgorod Dairy Industry Production Association (K.N. Zuyev, general director) have accomplished a great deal in the way of adding skim milk, buttermilk and whey to the production process. Fifteen interfarm shops for the production of whole milk substitutes were built in Belgorodskaya Oblast during the period 1976-1978; production of a variety of milk whey products was organized, while the industrial processing of skim milk and buttermilk reached 70 percent, and that of milk whey 90 percent, of total resources.

Efforts to achieve a more efficient utilization of raw materials have been satisfactorily organized within enterprises of the Stavropol' Association (I.P. Leshchenko, general director), where problems associated with milk whey processing are successfully finding resolution. Industrial production has been begun here of the bulk Kavkaz raw product, yeast for making feed silage, dry condensed and enriched milk whey, lactose and protein-carbohydrate concentrate. Output of milk whey products has risen 5-fold over the past 3 years. In 1978, this association's Kardonikskaya Butter and Cheese Plant increased its industrial milk whey processing to 60 percent, its Izobil'nyy plant to 90 percent and its Kugul'ta plant to 80 percent of total resources. The collegium of the Ministry of the Meat and Dairy Industry of the USSR has approved the operational practice of the Stavropol' Association enterprises and recommended it for adoption throughout the industry.

With raw material resources available, moreover, a number of associations are failing to meet their targets for production of low-fat and nonfat, protein-enriched and fruit-and berry-filled products and of powdered skim milk and whole milk substitutes.

One of the primary reasons for nonfulfillment of the plan for powdered skim milk and whole milk substitutes production was the unsatisfactory preparation of individual plants for 1979 production operations. It is for this reason that the Kalinin production association's Bezhotak Powdered Skim Milk Plant, the Zheleznogorsk plant in Kurskaya Oblast, the Temnikov plant in the Mordovian ASSR, the Glazov plant in the Udmurt ASSR and a number of others are proving unable to meet their plan targets.

It should be recognized that individual union republic ministries and industrial and production associations are still only poorly publicizing and disseminating the experience accumulated by leading collectives, those providing good examples of total raw-product processing and are failing to demonstrate the requisite exactingness toward enterprise managers not concerning themselves with increasing the efficiency of the utilization of procured raw product.

No small number of instances are known in which, due to the lack of the necessary attention, great quantities of resources, of skim milk, buttermilk, and especially of milk whey, are either wasted or utilized inefficiently. This state of affairs is to be observed in enterprises of the Chelyabinsk, Penza, Arkhangel'sk, Sverdlovsk and a number of other production associations.

The efficient and complete utilization of raw materials is a crucial task, one of national economic importance. Together with Gosplan SSSR, USSR Ministry of the Meat and Dairy Industry has developed a system of special measures to improve during the period 1981-1985 the national economic utilization of skim milk, buttermilk and milk whey. Substantial resources for the construction of new and the expansion of existing enterprises and for the purchase of new equipment have been allocated to solve this problem.

Continuous efforts to improve the quality of production output is a crucial condition governing any increase in production efficiency.

No small number of production collectives within the dairy industry have achieved high ratings for quality. That number would include the collectives of the Ruzhin Butter Creamery in Zhitomirskaya Oblast, the Stalpskiy Butter and Cheese Creamery in the Latvian SSR, the Saratov Dairy Combine, the Shakhun'ya Powdered Skim Milk Plant in Gor'kovskaya Oblast, the Poshekhon'ye City Cheese and Butter Creamery in Yaroslavl'skaya Oblast, the Tikhoretsk Cheese Combine in Krasnodarskiy Kray and many others.

There are, moreover, a number of enterprises in which instances of departures from established production discipline occur, resulting in the output of lower-quality products. Instances of products like this being turned out have occurred within the Altay, Mordavian, Orenburg and Yaroslavl' production associations.

Plans for 1980 call for completion of work on the introduction of a comprehensive system of quality control in all enterprises. Practical experience

indicates a rise in the level of production standards and a greater proportion of production output in the highest category where this important matter is approached in a creative--not a merely formalistic--manner. In a number of enterprises which have introduced a system of quality control, however, there have been instances of breaches of production and technical discipline and the output of products departing from standard requirements and specifications.

The most important task for association and enterprise managers is to achieve a state of affairs such that this system operate in fact in favor of production quality.

The decree of the CPSU Central Committee and the USSR Council of Ministers on improving the economic administrative mechanism sets the task of reviewing norms and documentation governing technical standards for the purpose of increasing the requirements imposed on both raw material and finished production.

Currently in effect within the dairy industry are approximately 1000 state and industry standards and republic specifications. While some standards and specifications have been reviewed, this work is progressing only slowly and should be accelerated.

Of great importance is the introduction in accordance with the decree of the CPSU Central Committee and the Council of Ministers on improving the economic administrative mechanism of economic incentives to improve the quality of production and of a system of diverting resources into the material incentive fund from profits earned from the output of high-quality products.

There is currently no grading system for a substantial range of dairy products. In this connection, the development of criteria for evaluating production quality should become a top-priority task for our scientific research institutes.

It should be emphasized that material liability has now been introduced for the production of products departing from requirements imposed by established standards and specifications. Deductions from wholesale price can in this instance reach half the total profit realized from product sales.

The decree of the CPSU Central Committee and the USSR Council of Ministers on "Improvement in Planning and Increasing the Impact of the Economic Administrative Mechanism on the Effort to Increase Production Efficiency and Work Quality" outlines a comprehensive program for efficient and economical utilization of raw-product and other material resources. It provides among other things that in the future plans be developed in accordance with a system of scientifically based technical-economic norms and standards governing types of operation and inputs of labor, raw-product and material and fuel and energy resources, as well as of norms for the utilization of production capacity. This will make it possible to determine with greater accuracy the primary means of achieving greater economy.

Measures are currently being put into effect within the national economy which are oriented toward further improvement of the process of establishing norms for raw-product and material resources. Of primary importance is the fact that the list of resources is being extended for which will be established targets for average reductions in consumption norms. This will require thorough analysis of the actual state of affairs and stricter verification of the validity of the norms established for enterprises and associations. In certain instances, norms currently in effect fail to take full account of results achieved by leading enterprises.

A number of ministries and associations are maintaining inadequate accounts of their relative consumption of raw-product and material resources. This leads to a situation in which individual enterprises establish norms which are higher than those actually achieved.

Production efficiency is to a considerable extent a function of the degree to which fixed industrial production capital is utilized. Without better utilization of fixed enterprise capital and production capacity, it has now become virtually impossible to accomplish new and more complex tasks.

The dairy industry is implementing an extensive program involving the construction of new and the expansion and technical modernization of existing enterprises. Capital investment for development of technical production facilities for the first 3 years of the five-year plan totaled over 1 billion rubles. Built and brought into operation over this period have been 84 city dairies, 13 cheese creameries, 24 powdered skim milk plants and units, 3 milk canning combines and a number of other facilities.

Over the period 1976-1978, the industry's fixed capital assets grew by almost 1 billion rubles, or 1.3-fold; its capital-labor ratio was increased 40 percent, its power-worker ratio 30 percent. The interests of the task at hand require that these new resources be rapidly incorporated into the production process, add to production according to plan and increase overall production efficiency.

The periods of time required to incorporate and then utilize planned capacity have a crucial impact on the efficiency with which fixed production capital is utilized.

There is no small number of newly constructed enterprises within the dairy industry which have been able to incorporate their planned capacity into production operations within periods of time shorter than those provided by established norms. These facilities would include the Brest, Vladimir and Yevpatoriya city dairies, the Samoylavka and Pasvalis cheese creameries and a number of powdered skim milk and whole milk substitute plants and other production facilities.

Some enterprises are producing substantially more output than called for by the plan. With a planned annual capacity of 2500 tons, the Gryazovets

Powdered Skim Milk Plant in Vologodskaya Oblast, for example, turned out 2900 tons of powdered products in 1978. The Pasvalis Cheese Creamery in the Lithuanian SSR brought its production capacity into operation within 4 months rather than the 8 months as called for by the plan.

The collective of the Gadyach Cheese Creamery in Poltavskaya Oblast brought its planned capacity into production operation 2 months ahead of and manufactured approximately 300 more tons of cheese than called for by the plan.

At the same time, a check run by the USSR Central Statistical Administration in 1978 revealed that a number of the facilities brought into operation during the period 1976-1977 had not yet fully incorporated their planned capacities into production operations. Analysis of the performance of enterprises newly brought into operation indicates that an incorporation of planned capacity into production operations requiring a prolonged period of time and an under-utilization of this capacity result primarily from poorly timed preparations for production operations, the acceptance of plants with substantial construction work remaining unfinished or with serious structural defects or a shortage of raw materials or cadres. It was only several months after they were brought into operation that powdered skim milk plants such as the Kozel'sk Plant in Kaluzhskaya Oblast, the Osipovich Plant in Mogilevskaya Oblast, the Utena plant in the Lithuanian SSR and several others actually began production operations.

Industry personnel have put forth no small effort during recent years to procure and develop new productive resources and to put them to practical use, a great deal having been achieved in this connection directly within enterprises themselves. It is necessary to continue these efforts and to discover new ways to achieve better utilization of raw-product, material, labor and financial resources.

In accordance with the decree of the CPSU Central Committee on further improvement of the economic administrative mechanism and the tasks of party and state bodies, it is also necessary to raise the level of production management everywhere, to take effective measures to improve operational efficiency and quality, to insure the complete and efficient utilization of agricultural raw materials and production potential and the widespread incorporation of scientific and technical advances and advanced experience and know-how into production operations and on this basis to achieve greater output of a variety of high-quality food products. These efforts should be undertaken with the guidance provided by the decree of the CPSU Central Committee and the Council of Ministers of the USSR on "Improvement of Planning and Increasing the Impact of the Economic Administrative Mechanism on the Effort to Increase Production Efficiency and Work Quality."

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CONSUMER GOODS PRODUCTION & DISTRIBUTION

ELIMINATING RURAL SUPPLY PROBLEMS

Moscow KOMMERCHESKIY VESTNIK in Russian No 20, Oct 79 pp 14-17

[Article by P. Abdulin, candidate of economic sciences, director of TsNILS and member of the editorial staff of KOMMERCHESKIY VESTNIK, "The Task: To Overcome the Differences Between the City and the Country"]

[Text] THE RURAL MARKET: According to all the basic characteristics, it is related to the domestic market of the nation as a whole; but it also has its own special features which make their imprint on the process connected with assuring a state of balance in the market;

ADDITIONAL RESOURCES have been introduced to commodity turnover; television is being used to increase demand, according to data obtained by the Belorussian affiliate of VNIIES [All-Union Scientific Research Institute of Consumer Demand and Market Conditions];

CONSUMER SURVEYS, conducted in two cities in the Ukraine, helped express more precisely their preferences with respect to assortment, quality and design of furniture.

The state of balance in the population's effective demand for consumer goods and the supply of commodities on the market, in terms of both the total volume and the composition, represents the necessary condition for development of consumer goods manufacturing and efficient operation of the nation's economy as a whole, to include the further development and perfection of trade and the system of monetary circulation.

Especially important to the solution of the problem of balance is realization of concrete measures defined in the decrees of the CPSU Central Committee and USSR Council of Ministers on increasing production of consumer goods, improving their quality and further developing trade; and the decree, "On Improving Planning and Increasing the Influences of the Economic Mechanism for Increasing the Effectiveness of Production and the Quality of Work".

Achieving balance in the market is envisaged not as a once-only measure but as an entire system of long-term and current measures which complement one another and which are realized systematically within the framework of general tasks defined in current and long-term economic plans.

Disproportion of supply and demand in the rural market has important socio-economic repercussions for the various aspects of the production and cultural-services sphere in the rural area. This problem is part of the general task of overcoming the differences between the city and the country.

The disproportion is most characteristically manifested in the form of insufficient demand; shortages of some goods, lagging sales and accumulation of above-normal supplies of others; large losses from discounts on unmarketable, shopworn and slow-selling articles; incomplete involvement of the population's disposable income in retail goods turnover; migration of the monetary resources of the country dwellers to the city and growth in savings by the population, beyond the framework of the objective, economically-based limits and rates of increase. As a result of the disbalance, the volume of average per capita commodity turnover and the volume of consumption of certain goods in the rural area are growing more slowly than the income of the rural residents. The rates of convergence do not completely satisfy the problems of overcoming the differences between the city and the country in spheres of services and consumption.

Growth of demand for goods, which lags behind increase of monetary income of the population, has a negative influence on assuring the stimulating role of wages and material self-interest of workers in agricultural production in the results of production; on solving the problem of retention of personnel (agricultural specialists, workers at educational, medical and cultural-service institutions); on the processes of migration, and other problems of the contemporary rural area which are no less acute.

As we see, even a simple enumeration of certain socio-economic repercussions of an unbalanced market shows the exceptionally great economic importance of solution of the problem of achieving the required ratio of supply and demand, in the national market as a whole and in the rural market in particular. Assuring the required ratio between supply and demand on the rural market, which forms part of the total problem of the state of balance in the national market, serves as an important factor in solving the problem as a whole.

In order to analyze and work out the qualitative and especially the quantitative criteria for evaluating the ratio of supply and demand in the market, it is necessary to formulate certain concepts and categories which bring out the essence and the basic characteristics of the given problem. First of all we shall define the very concept of "rural market". The rural market, in our opinion, should be understood as a part of the nation's total domestic market, territorially embracing the rural area as well as the small cities and settlements which are included in the zone of activity of consumer cooperation.

Including the urban population in the sphere of the rural market is stipulated by the following. The exchange of monetary resources of the rural population for goods, which comprise the most important part and are the result of the operation of the consumer goods market, is accomplished in accordance with the division of labor between state trade and consumer cooperation, chiefly through the medium of cooperative trade, which comprises the system of trade in the rural area and the small cities and settlements in the city category. These urban populations are historically and economically closely associated with the contiguous rural zone and are in most cases administrative centers of the rural area.

Consumer goods were given great attention in the recent decree of the CPSU Central Committee and USSR Council of Ministers, "On Improving Planning and Intensifying the Influences of the Economic Mechanism on Increasing the Effectiveness of Production and the Quality of Work." An entire complex of measures is intended for further growth of their manufacture, and for perfecting the interaction of industry and trade in more complete and effective research and satisfaction of the demands of the population. Satisfying the growing needs of the rural residents is given a most important place here.

The system of trade services in consumer cooperation organically combines the branching network of comparatively small trade enterprises in the rural populated points with the system of large trade centers, department stores and specialized stores in the small cities and settlements in the city category, as concentration centers for sale of a mixed assortment of goods—clothes, shoes, cultural-recreational articles and housewares. Thus, the shoppers in this market are not only the rural residents but also those who live in the small cities and settlements which are situated in the area of operation of consumer cooperation.

The rural market, for all its well-known territorial isolation, is an integral part of the nation's domestic market, and possesses traits characteristic of the socialist market on the whole. Its development is stipulated by the production relationships of the socialist society. It has a systematic and forward-looking character of development, closely interrelated with other economic categories and with the economic mechanism as a whole.

Along with this, the rural market is also characterized by several peculiarities which are displayed in its tendencies of development and in the specific character of its component parts: supply of commodities and the demand of the rural population by volume and by composition, as well as in the special conditions of the formation and function of these elements, and their correlation in the market.

In contemporary conditions, development of the rural market occurs very intensively, which is connected with the further increase in agricultural production, the expanding sphere of commodity-monetary relationships, and the great dynamism of supply and demand in the rural area.

In the case at hand, demand of the rural population is understood as the effective requirement of the rural population and small cities and settlements served by cooperative trade for consumer goods. Demand of the rural inhabitants can be subdivided into two parts, according to the location of production: these are, the demand presented in cooperative trade and the other trade organizations in the sphere of activity of the rural market (in the rural area and in small towns and settlements); and the demand in the urban market (in urban state trade stores outside the zone of activity of consumers' cooperatives or beyond the limits of the rural market).

Such a deliniation serves as a reflection of the connections between the rural and urban markets (and the nation's markets as a whole), and characterizes their mutual influence. Taken together, both parts shown comprise the total volume of demand of the rural population. For the sake of brevity, the concept of the demand of the rural population shown here and later on, also includes the population of the small cities and settlements in the zone of activity of consumer cooperation.

In turn, the total volume of demand and demand of the rural population as presented at rural or urban markets, can be subdivided into satisfied (realized) and unsatisfied. At the same time, realized demand (satisfaction of the needs for goods) quantitatively can coincide with the total volume of demand (brought forth), or can differ from it by the unsatisfied portion of the effective needs for goods, which is called unsatisfied demand.

Deliniation of demand by the rural population according to the location at which it is brought forth has, in our opinion, important methodological and practical significance for solving the problem of balance in the rural market. By virtue of historically-developed conditions, only a portion of the monetary resources of the rural inhabitants for purchase of goods is realized in the rural market. The other part is spent acquiring goods in cities, most often in the big cities, outside the sphere of activity of consumer cooperation. Without stopping here to bring out the reasons for this phenomenon, which requires special research, let us note only that in spite of the relative decline in the amount of goods acquired by the rural population in the cities, the absolute dimensions of such purchases remains highly significant. This has great influence on the correlation of supply and demand, which has taken shape in the rural market. The demand which is brought forth and realized, in the given instance, in the urban market, can to a significant degree be considered that which is not satisfied in the rural market.

Thus, the task of quantitatively defining demand and its correlation with supply on the rural market is made much more complex. And quantitative estimation of unsatisfied demand and working out measures which would provide for its decline comprise the most important part of the entire problem of balance.

Of vital significance to the investigation of this problem and analysis of the concrete correlations of supply and demand is the concept of "market capacity". Under this term, is understood the possible sales volume of consumer goods, which is determined by the size of the demand of the rural population, and also the collective purchasers' organizations, institutions and enterprises.

Market capacity also includes the demand of the collective purchasers. The indicator of market capacity does not coincide with the indicator of retail goods turnover in cooperative trade, and differs from it in terms of the size of unsatisfied demand in the rural market and the demand which is brought forth by the rural population in the city state trade stores. Market capacity is associated with determining the amount of need for goods and the required dimensions of the supply of goods (the mass of goods which is in the rural market or which can be introduced to it).

Commodity supply for a definite period of time (month, year, etc.) is characterized by the sum of the commodities which enter into trade and the average size of the reserve commodity stocks for this period. Such an interpretation of commodity supply proceeds from the definition given by Karl Marx of supply as a product, which is on the market or which can be acquired there. In the rural market commodity supply takes shape from the amount of goods received at the trade organizations of the consumer cooperatives and at the other trade systems in the rural area, and the average size of the reserve commodity stocks of these organizations.

It is fitting to note that commodity supply on the rural market is essentially comparable with the volume of demand of the population. As applied to the full volume of demand, the comparable volume of commodity supply (including part of the commodity supply on the urban market which withstands the demand presented by the populace) is determined only conditionally. But the correlations of the full volume of demand with commodity supply can be examined from the point of view of additional requirements for goods, determined by the difference between the size of full-volume demand and commodity supply.

We are not presently examining supply of services, although the development of the latter has a definite effect on the volume and composition of demand. The influence of the supply of services in connection with the study of the rural market for consumer goods can be considered mainly upon evaluating the volume of demand owing to estimates of the disposable income of the population which has been designated for acquiring goods. Increase in expenditures for services causes changes in the composition of the monetary expenditures of the population and is reflected in the size of disposable income.

Now we shall explain the concept itself of balance of supply and demand. Balance of supply and demand in the rural market is that correlation between these elements which assures complete satisfaction of the demand presented by the population in a given market, along with timely sale of the commodities received on the market, and maintaining the required amount of reserve commodity stocks in trade. Balance in the rural market, upon examination of its dynamics for a more or less lengthy period of time, also presupposes a gradual reduction in the amount of purchases in the city made by rural inhabitants, and the overcoming of this economically-unsound migration of disposable income. Thus, it is a question of ever more complete involvement of the disposable income of the rural population (or the full volume of demand) in the commodity turnover of the rural market and the reduction of that portion of

the demand of the rural population which appears on the urban market. In this is found one of the most important peculiarities of the problem of balance in the urban market, which distinguishes it from the same problem in the national market as a whole.

The task of achieving a state of balance in the rural market acquires the additional features of a special-purpose plan, which includes as an integral part assurance of complete satisfaction of the demand of the rural inhabitants directly in the rural market, convergence in terms of level and composition with the demand of the urban inhabitants, as well as more completely including the disposable income of the populations of the rural areas and small towns in the turnover of goods on the rural market.

In addition to formulating the basic concepts for analysis and evaluation of the correlations of supply and demand, there is great significance in the systematically and logically-derived estimates of the indicators which reflect in quantitative form the volume and composition as well as the dynamic of change of these elements of the market.

The system for calculating realized demand is well-known to everyone. It is determined according to data on the retail goods turnover of cooperative and other trade organizations (according to total volume and separate commodities after deducting for small transactions), according to information on purchase of goods, and according to the budgets of the kolkhoz families, blue and white-collar workers. Demand of the rural inhabitants realized in the rural market is determined: in total volume—according to estimates of the disposable income of the population (which lives within the territory of the sphere of activity of the rural market); and according to composition of goods—on the basis of special estimates according to a system worked out by the employees at TsNIPS [possibly, Central Scientific Research Laboratory for Rural Trade].

The essence of the system in general terms consists of the following. According to information on the budgets and the size of the families in the various social groups, the total capacity for acquiring individual commodities is established. The amount of the purchases of goods by rural residents in the city market is determined by subtracting from the sum received from the sales by cooperative and other trade organizations in the rural market. Further, the volume of unsatisfied demand is estimated on the basis of comparison of the planned amount of disposable income and the actual amounts of purchases of goods by the population; or by means of comparing the rates of change in monetary income, disposable income, receipts of goods from primary sources, retail goods turnover, reserve commodity stocks and savings, and estimating the influence of these changes on demand.

The composition of unsatisfied demand; that is, its dimensions in terms of individual commodities, is determined on the basis of data on unsatisfied requirements for goods at the trading organizations, according to their orders and claims (taking into account estimate of its validity, and corrections where necessary), and also utilizing the results of surveys among the

population, examination of the system of trade, and expert evaluations. By summarizing the realized and the unsatisfied demand the total (or full) volume of demand on the rural and urban markets is established.

Commodity supply is deducted on the basis of materials on receipts and reserve commodity stocks. It is expedient to determine this by the balanced method, utilizing information on the goods turnover and the reserve commodity stocks at the beginning and at the end of the period, adding the sums of the estimate and the withdrawal of goods at the trading organizations. Commodity supply is equal to the sum of the goods received and the average amount of reserve stocks during any given period.

While analyzing commodity supply, it is fitting to deliniate and examine separately the so-called "necessary" and actual commodity supply. Necessary commodity supply represents the sum of the required receipt of commodities which are to be provided in a definite period of time in order to satisfy demand brought forth by the population and by the collective purchasers; to compensate for losses of commodities in trade because of discounts and similar withdrawals; to provide for support of reserve stocks at the normal level. From these elements, that portion which directly opposes the demand of the population can be determined (less the small-scale wholesale discounts and losses, and also the average norm of reserve commodity stocks for the period).

Actual commodity supply is the sum of the actual amount of goods received during any given period and the reserve stocks at its beginning. The volume of supply can be defined as the sum of retail goods turnover, discounts and similar withdrawal of goods, and also the changes in the amount of reserve commodity stocks during this period. From the actual commodity supply, as with the necessary commodity supply, the portion which is directly correlative with demand of the populace can be separated.

Although reserve commodity stocks comprise an element of commodity supply, comparison of the size of supply and demand can be made by including or not including them in the average norm of reserve commodity stocks. This is brought about by the fact that norms of reserve commodity stocks form a constant, undiminishing part of the amount of supply, without which trade would not be able to function smoothly, or exchange of revenues for goods would be delayed or could not take place. Realizing the demand of the population is accomplished by virtue of another, the current part of commodity supply in the market. However, the constant and the current part of commodity supply are closely associated with one another and require investigation as a whole.

In our opinion, during qualitative analysis of commodity supply, which comes after quantitative estimation of its volume, in order to bring out the true picture of the correlation of supply and demand it is also necessary to separate from the total sum of reserve commodity stocks the so-called unmarketable and shopworn goods. The latter can be sold, as a rule, only when special measures are taken—discounts, repair, etc. The concept of "unmarketable"

and "shopworn" goods in the given case should be distinguished from above-normal stocks. One can have unmarketable and shopworn articles also in cases where the total amount of stocks is lower than the norm. At the same time, above-normal stocks can include, apart from the unmarketable and the shopworn, unnecessarily-delivered production, which is entirely of good quality, and which by virtue of shipment to other trade enterprises in the area of control of receipts can gradually be sold.

It is well-known that in trade discounts are periodically made for unmarketable and shopworn articles. However, because of the limited resources allocated for these purposes and for a number of other reasons, such measures do not include the entire realm of accumulated surplus commodities. Therefore, while making qualitative estimates of commodity supply, it seems appropriate to consider this both including and not including the total sum of the unmarketable and shopworn goods. This permits bringing out the dimensions of the real commodity supply which has taken shape in this or that period of time, and in the final analysis more accurately estimating the true relationship of supply and demand. Moreover, apportionment of unmarketable and shopworn goods has especially great significance under the conditions of rural trade, which is characterized by the large number of small enterprises.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

RETAIL STORES PREPARE FOR OLYMPICS

Minsk SOVETSKAYA BELORUSSIYA in Russian 26 Feb 80 p 4

[Interview with N. Ye. Romanov, trade administration chief of Minsk Gorispolkom, by N. Koz'ko: "High-Class Service"]

[Text] Our correspondent is speaking with the trade administration chief of the Minsk Gorispolkom, N. Ye. Romanov.

[Question] Nikolay Yefimovich, the residents and guests of Minsk are now coming to accept the fact that in one store or another there will be sign: "closed for repair." We understand that on the eve of the Olympics all trade services are being put in order and we are not worried about temporary inconveniences . . .

[Answer] Yes, the city's trade network has been appreciably updated recently. This pertains both to the external appearance of the stores and, as it were, to their "innards." Equipment is being updated and means of mechanization of loading and unloading work are being introduced. Collectives of the city's industrial enterprises, especially in Zavodskiy and Leninskiy rayons, are helping us a great deal in this.

While renovating the stores--and I emphasize that it is renovation and not simply routine repair--it is intended to create conditions for the personnel to rest: rooms are being equipped for eating and there are rooms for recreation. Now, for example, it is nice to drop into Grocery No. 14 near the Sputnik hotel. An excellent interior has already been created here. The store has been changed over to the container method of delivering goods--this is convenient both for the personnel and for the customers.

The stores for sporting goods, childrens' wear and many others have been transformed. We must renovate a total of 88 stores before the opening of the Olympics. This work is being done according to plans of the Belgetortorg Institute but I must say that our repair and construction group have become good "co-authors" with the planners.

We have also had our own "champions" here. On Wednesday customers of the 1000 Melochey store saw through its windows ladders and salesmen arranging

products. And already on Saturday the store was continuing its usual operation as if nothing had happened. One could not do this in one's own apartment in three days, but in this sea of products . . . they are good girls--literally the entire collective along with the director, R. I. Pokatova, helped the repair workers.

As for the neon advertising and show windows--and these are, after all, an important part of the city's external appearance--their renovation is not being carried out as quickly as we would like. Obviously the Beltorgreklama should search for internal reserves to accelerate the rates of their work.

[Question] And how is it going with the preparation of the personnel for receiving guests and participants in the Olympics?

[Answer] We are now giving special training to 6,500 trade workers who will be enlisted in service during these days. Half of them are taking a special 40-hour program called "Olympiade-80" in the administration's course training combine. We are training about 3,000 of them without taking them from their work--in industrial trade centers, department stores and self-service department stores. Tests are given over the training and the corresponding certificates are awarded. The students--and they are our best personnel--obtain knowledge in the areas of ethics, aesthetics and psychology. Instructors of VUZ's and lecturers of the Znaniye society give them lectures about the soviet way of life and the international policy of the CPSU.

Moreover, the regular programs for training personnel have taken on an "Olympic coloring."

I should like to give special mention to the study of foreign languages. About 400 people know the English, German and French languages. They have had a 240-hour program. The training is given by teachers of the Institute of Foreign Languages, the VAO Inturist, and the Institute of the National Economy.

The answer to the question of how many of our personnel are prepared for the Olympics is provided in some measure by the competition entitled "Minsk Olympiyskiy" in which the winners of rayon competitions for occupational mastery are competing.

[Question] Nikolay Yefimovich, how are the forces to be placed during the actual days of the Olympics--after all, a single stationary will not do here.

[Answer] Of course, the service will be brought as close as possible to the places where the competitions are being held and where the places where the sportsmen and guests are living. For example, at the Dynamo stadium there will be additional automated machines for selling carbonated water,

carts for selling ice cream, and kiosks for small items that are sold individually. Right at the stadium there will be kiosks for selling souvenirs and providing services for amateur photographers.

We will install kiosks for trade in souvenirs in eight hotels, ten dormitories, the airport, the railroad station and the Stayki sports camp.

It will be easy to spot our salespeople in any crowd by their red uniform which is designed by the Byelorussian Republic House of Fashions. We are now beginning to manufacture them at enterprises of the ministries of light and local industry. It is a large order because it is necessary to clothe more than 6,000 people.

Question] You have spoken about the extensive sale of Olympic souvenirs. Byelorussian enterprises have contributed quite a bit to their manufacture. How do the customers rate them today?

[Answer] We have been trading in goods with the Olympic symbol for more than two years now. They are displayed most extensively in the GUM micro-complex--the Olimpiyskiy Suvenir store. This trade has now been organized in twelve more specialized sections.

Olimpiyskiy Suvenir sells more than 200 items with the Olympic symbol. They have a wide assortment of badges, pictures, souvenirs of the Minsk artistic items factory, and boxes from the Zhlobin and Brest factories. No advertising is needed for items of the Neman and imeni Dzerzhinskiy glass plants, the Minsk porcelain plant or the leather haberdashery factory imeni Kuybyshev. There are no extra supplies from the Zhodino knitwear factory which have printed figures on them and are popular among youth.

The exchange of goods that has been arranged recently with the Baltic and Transcaucasian republics and with enterprises of the RSFSR and the Ukraine help to renew the variety of souvenirs.

But still the assortment and quality of Olympic goods do not fully satisfy us. In particular we could sell many more leather haberdashery items--there are not enough of them and those that we produce are very tasteful and of high quality.

Concluding our conversation I shall say that the training of trade workers of the city of Minsk for the Olympics is regarded as a review of their vocational mastery and they consider it a great honor for themselves to serve the participants and guests of the world wide sports forum.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

LACK OF VEGETABLE PROCESSING BASES CAUSES WASTE

Moscow PRAVDA in Russian 28 Mar 80 p 3

[Article by Inspector V. Avinov of the Kuybyshevskaya Oblast People's Control Committee and PRAVDA Correspondent N. Mironov: "You Raised the Crop--Now Protect It!"]

[Text] Recently, the Kuybyshev Bureau of PRAVDA received a letter. "This fall," the letter began, "we read in the local newspaper that the City Fruit and Vegetable Trade Administration had successfully completed its plan for laying in vegetables. Why then is there already an interruption, for example, in the sale of fresh cabbage? Where have the carrots disappeared to? Pickled tomatoes, garlic and other vegetables are not always available for sale. It is still a long time to the next new harvest..."

Actually, it is still a long time until the new harvest. Yet letters of similar content began arriving in mid-March from Tol'yatti, Syzran', Chapayevsk and other places.

Is the sun responsible?

We travelled out to various bases together with V. Pikunov, deputy chief of the City Trade Administration, and with Ye. Kalga, director of the City Fruit and Vegetable Trade Administration. "We actually did fulfill the plan for laying in vegetables in the fall," the head of the trade organization assured us once again. "We thought that all of our vegetable needs would be provided for until the new harvest. There are no carrots, it is true, and we are running out of fresh cabbage. But there are enough potatoes to go around..."

We enter the vegetable storehouse where the potatoes are kept in containers. The room is filled with the noise of the sorting machine conveyor. Empty crates are being filled quickly with waste material. If we didn't know these were freshly-grown vegetables, the black tubers would be difficult to distinguish from clods of earth.

"Yes, the potatoes are not so good," Ye. Kalga agrees. "Particularly those from the state farms. Not more than 60 to 70 percent of them are of standard size. They were wet and dirty when they were layed in without being sorted. Together with the tubers 3,000 tons of earth were hauled in! Was this not too much, considering the fact that 21,000 tons of potatoes passed through the base?"

"What can we do?" The City Vegetable Trade Administration director continued. "No sorting of any kind takes place either at our bases or out at the state farms, where only seed potatoes are stored. There is no space for storing anything else. Everything is hauled into the city and we do not have the time to reprocess it. That is why there is so much waste material..."

According to even our most modest estimates, a great deal of this waste material is accumulated. We figure, for example, that just the organizations belonging to the local Potato Cultivation and Dairy State Farms Trust lose not less than 650,000 rubles because of this.

At yet another storehouse, we saw a group of women equipped with knives. They were seated in circles around mounds of over-ripe and sprouting onions from which an unpleasant odor emanated and were "peeling" them. Yellow onions were being converted into white ones.

"This is being done for our local public dining facilities," explained V. Pikunov. "We were forced to import onions from our nation's southern oblasts. They are not locally grown and have been poorly stored."

The local onion crop was being stored at this particular depot. It was in good condition but was being kept for use at a later time.

"What about the carrots?"

"We were unsuccessful in raising our own crop this time. The carrots had to be imported from other oblasts."

It turned out that, this past autumn, workers at the base had travelled to Novosibirskaya Oblast, to Altayskiy Kray and to other sites in Siberia in search of carrots. With enthusiasm Ye. Kalga described the vegetable crops there, said that there was no comparing them with what was grown locally. "Cabbages that size," he said, gesturing with his hands, "cabbages so heavy that you can't lift them!"

His statement served to recall a previous conversation which we had had. At the suburban "Chernovskiy" State Farm, Workers there agonized as they described how 7,000 tons of cabbage had been lost due to snow. There had not been enough storage space for the cabbage, so now it was being fed to the cattle....

What is it? Is the sunshine better in Siberia than it is on the Volga? Or is the land out there better? No, apparently it is just that the attitude towards vegetables out there is different.

The Five-Year Plan...in Debates

In the summer of 1975, PRAVDA criticized the state of the vegetable trade in Kuybyshevskaya Oblast. It was stated then, in particular, that "over the period of the 10 year existence of the vegetable trust, no concern was manifested for creation of a processing base." In reply to this criticism, Oblispolkom First Deputy Chairman N. Buzayev informed our editors that: "Instructions have been issued for working out a proposal calling for construction of a storehouse and vegetable processing points during the forthcoming five-year period."

Five years have since elapsed. Has anything changed over that period of time? Some advances have been made but, and we tell you this openly, they have been insignificant. The Oblast People's Control Committee has come to the same conclusion. The vegetable storage capacity of the "Zhiguli" Association near Tol'yatti has been expanded somewhat. A program for providing equipment for 22 vegetable processing bases, each with a capacity of 1,000 tons, was worked out for the years 1979 and 1980. But plans for this program are being carried out very slowly.

Take for example the specialized "Kryazh" Association, which is near Kuybyshev. The average annual vegetable production there is about 100,000 tons. But the capacity of the vegetable storehouse is only 5,500 tons and this only for fresh cabbage, which should not be stored. Only three outfits out of ten can pickle vegetables, these three with a capacity of 300 to 400 tons each. For these reasons, the association's state farms were compelled to feed to their cattle 15,400 tons of vegetables in 1977, 28,000 tons in 1978, and 15,000 tons in 1979.

It would seem that, and this conclusion suggests itself, hope should not be placed solely upon equipping expensive and gigantic storehouses in cities. We should strive for the construction, at an accelerated pace, of vegetable bases located on state farms. This was precisely the manner in which the question was posed at the November (1979) Plenum of the CPSU Central Committee. Such a method, Comrade L. I. Brezhnev said, allows us not only to improve the quality of production and to curtail losses, but to reduce the workload of the centralized vegetable storehouses and to utilize transport and manpower more equally. For Kuybyshev, this is the sole realistic method for correcting this situation over the next few years, inasmuch as the city cannot place its hopes upon the large vegetable base which has been promised it by the RSFSR Ministry of Trade. Five years have elapsed already in simply coordinating construction work volume, draft plans and financing with the trade ministry and with construction organizations! Such plans now call for expansion of construction to include two sections. Thus, at best, the base will make its appearance no sooner than

10 years hence...This means that it is necessary to speed up erection of vegetable storage structures on state farms. By decision of the Kuybyshevskaya Obkam and oblispolkom, the framework for such structures is to be erected by the Inter-kolkhoz Construction Trust, with the "inside equipment" for these storehouses to be provided by enterprise-sponsors.

"This program is being achieved slowly," states I. Kutsenko, one of the directors of the "Kryash" Association. "Last year, out of 10 vegetable storehouses of 1,000 ton capacity each which were to have been placed into operation, only 1 was completed, this at the 'Smyshlyayevskiy' State Farm. We now have an agreement for the furnishing of equipment to another seven bases. But there is no certitude as to our success in this effort..."

We visited two other state farms, the "50th Anniversary of the USSR" and the "Chernovskiy," belonging to the association. Here it was, the 3rd month of the year, yet no work was being done on any one of 3 planned construction projects.

"Financing has not yet been provided for base number 2, while only half the funds allocated for base number 1 have been spent," Chief Economist V. Verevkina of the "50th Anniversary of the USSR" State Farm told us.

"The fact that construction of storehouses on state farms has been begun," noted Director V. Zin'kovskiy of the "Chernovskiy" State Farm, "is, of course, a good thing. However, these structures will never completely solve all of our problems. First, because no provision is being made for artificial cooling and, secondly, because too few of them are being planned."

In actuality, the "Chernovskiy" State Farm harvested 24,000 tons of vegetables last year. Yet the storage capacity of its vegetable base is but 1,000 (!) tons. Well, it will soon have another 2,000 tons of storage space. Yet here, as we have already stated, the storehouse handled only cabbage this past fall, some 7,000 tons of it.

"Our patrons in the Oktyabr'skiy Rayon of the city of Kuybyshev are getting ready to put up a vegetable base for the rayon Food Trade Trust and for the Public Dining Trust," continued V. Zin'kovskiy. "It was my proposal that it be built out at our state farm. We are linked to the city by an asphalt road and, during the harvest period, we would not have to divert any enormous amount of transport and people from enterprises, as is being done now. In a word, it would be more beneficial. Yet, for some reason or other, my proposal was not supported."

Actually, such construction in Oktyabr'skiy Rayon is being contemplated and a plot of ground has already been assigned for the purpose.

"True, some 80,000 rubles will be required in order to raze some old buildings," states First Secretary S. Kuznetsov of the Oktyabr'skiy Raykom. "But we will end up with our own vegetable base."

"Why not build it out on the state farm which you sponsor, out where procurement of vegetables will actually take place?"

"Because the structure will be taken away from us and handed over to the authority of the state farm!"

Such are the localist tendencies which still make themselves known.

Unplanned "Initiative"

So, everyone understands this fact: it is not right when one-third of the harvest is lost. To this fact we add the information that, in general, the harvest is not a rich one.

"Yes, it is true that we have actually fallen behind in providing equipment for vegetable bases on state farms," acknowledges Secretary I. Perov of the Kuybyshevskaya Obkom. "We hope to correct the situation this year and to step up the tempo of vegetable storehouse construction on the state farms. More complex is the matter of the bases, where refrigeration equipment is needed. Orders for such equipment are not being accepted because there is nowhere one can place such orders. We are placing a great deal of hope upon the understanding and support of the ministries of agriculture and of trade. Unfortunately, certain of the ministries' workers still need convincing that Kuybyshev is a large city, a city which cannot do without the proper "vegetable rear supply services."

Actually why, for example, has placement of orders for refrigeration equipment been such a problem over these many years? There is a way out of this situation: why not place the responsibility for such "initiative" upon the enterprise-sponsors? Yet, where, for example, can such equipment be procured by the ballbearing plant? It is not manufactured there so, in order to procure it, the plant would have to "get it on the side," evasively, to act in accordance with the principle of "you help me and I'll help you." But will not such practice lead to violation of plan discipline and to other abuses? Yes, it will!

Concern over construction of vegetable bases on state and collective farms should be manifested both by local as well as republic and all-union ministries and governmental departments. For, in the long run, as was stated at the CPSU Central Committee Plenum, an individual will judge both the quality and quantity of agricultural products by what is available to him in the stores. We must strive for coordination of the work of all links in the chain which unites the field and the consumer.

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CONSUMER GOODS PRODUCTION AND DISTRIBUTION

CONSUMER DEMAND REMAINS UNSATISFIED

Minsk SOVETSKAYA BELORUSSIYA in Russian 12 Jan 80 pp 2-3

[Interview with N. A. Makayed, Belorussian deputy minister of trade, by V. Malishevskiy: "Inflows and Outflows in the 'Sea of Trade'"]

[Text] The state has been investing huge funds to develop enterprises in the consumer goods industry and trade. The assortment of articles produced is becoming broader, their quality is improving, and the network of stores is growing. Yet against that background there are quite a few intolerable shortcomings in the sphere of trade and production. Shortages have persisted for a number of goods. And, most disturbing to the customer, articles which were abundantly available until recently, moreover the cheaper articles, are now disappearing from store shelves. The desire on the part of enterprises to increase their "gross" and volume of sales on the basis of more expensive products is the principal reason for such things. Customers will not object if worthwhile articles of good quality and consequently of higher price appear on the market provided there is a broad selection of cheap goods alongside them. Unfortunately, the opposite process is usually the case. "... The population of our city is experiencing difficulties in purchasing certain types of goods," I. Shpilevskiy, who lives in Polotak, has written to the newspaper. "For a long time there have been no shoes for the elderly in the stores. Only elastic socks can be bought."

Similar questions have been put in their letters by D. Zinovenko of Osipovich, Ye. Baranov and Ye. Patsevich of Lepel', and others.

"... I tried several stores to buy Pomorin toothpaste, but did not find it. Yet recently Pomorin was available," writes S. Paley of Minsk.

The editors have received quite a few letters like this in which authors cite various cases of shortages in one city or rural locality or another. Customers are particularly disturbed by the situation that has come about in the trade of such traditional everyday articles as bed linen and sheeting, cotton goods, sateen, cotton stockings and thread, toothbrushes, washing powders, and soaps. Readers are keenly critical of the practice of "dumping" certain goods only at the end of the month--hasty adjustment of indicators of plan fulfillment. Such undesirable phenomena in the trade sector create fertile soil for various kinds of sharpsters and speculators. At the November (1979) Plenum of the CPSU Central Committee there was fundamental and sharp criticism of trade, which is still having little influence on production, is not seeing that industry fulfills the plan for output of those goods which the consumer really needs, overlooks the violation of contracts covering delivery of these goods with respect to delivery date, size of delivery and assortment, is not always moving available supplies about efficiently, nor is it making full use of existing potential for improvement of processes in the trade sector. "... The situation must be corrected before the end of 1980. The specific guilty parties must be found for every 'scarcity,' resulting from negligence, irresponsibility and stupid bungling, and they should be punished," Comrade L. I. Brezhnev said in his speech at the plenum. The question of the operation of the trade sector in our republic was put sharply at the 22d Plenum of the Belorussian CP Central Committee. The editors called upon N. A. Makayed, Belorussian deputy minister of trade, to answer the questions of readers concerning the measures to be taken this year to combat shortages of certain goods.

"The questions have been put quite properly, they are all relevant and important and affect everyone. The shortage of certain goods is an adversity which noticeably affects people's everyday life, their outlook and even the way they feel. One can understand the justified resentment of the customer embittered because the commodity he needs is not available on the market. When, say, there is no real fur coat or other expensive article, one can explain to the purchaser the reasons for this, and he will understand, but when there is a shortage of thread, toothbrushes or other goods for which there is an everyday demand, then, as they say, all comment is superfluous. All the fault is borne by trade and industry. The two partners have either committed lapses in their relations or they have not kept up effective contact. There is no excuse for these oversights, especially against the background of such noticeable achievements as those made by the republic's trade sector and the consumer goods industry over the last 4 years. Retail

trade turnover has risen 21.7 percent. In that period the sales of clothing and underwear have risen 28 percent, those of woolen fabrics 23 percent, linen fabrics 37 percent, hosiery 40 percent, knitted outerwear and underwear 27 percent, synthetic detergents 25 percent, furniture 38 percent, and carpets 1.5-fold. At wholesale fairs the trade sector purchased goods for 1980 worth 300 million rubles more than for last year, 1979. There are more high-quality goods in shops that meet the demands of fashion. The extent to which new products have been added to the assortment is as follows for the principal product group: 41.7 percent for sewn garments, 45.6 percent for knitwear, 96.2 percent for leather footwear, 56.5 percent for fabrics, and 18 percent for furniture. There has been a considerable increase in the number of goods bearing the state Quality Emblem. By comparison with last year enterprises of light industry are delivering more sewn and knitted garments, silk fabrics and footwear. For example, the Minsk Worsted Combine has responded to the request of trade by increasing production of wool suiting and dress goods, and the Grodno Lightweight Woolens Combine has done the same for men's semiwoolen broadcloth. The republic's garment enterprises are making more women's coats from artificial fur, more men's winter overcoats, wedding dresses, short winter jackets for schoolchildren and woolen pants for young children. More women's chrome leather shoes are being sold, more men's fur-lined shoes and more of certain rubber footwear. The volume has been increased and the assortment expanded of durable consumer goods, housewares and household chemical products, in particular steel enamelware, orchard and garden supplies, lamps, ceramic dishware, toys, souvenirs, sets of children's furniture and other products.

"Nevertheless, even though the volume of purchases was larger than last year, on the whole the requests of the trade sector were not met for nearly 400 product designations. For instance, the Baranovich Cotton Combine did not fulfill the order for increasing the production of cotton cloth, the Orsha Linen Combine planned a reduction in the production of napkins, the Minsk Lightweight Woolens Combine is reducing the output of woolen broadcloth, the Gomel' Association Komintern has cut back on children's velvet suits. And whereas some of these enterprises can allude to a shortage of raw materials, the reduction of deliveries of, say, certain cleaning agents, office supplies, and furniture is nothing other than neglect of the interests of customers. There can be no justification of cases where goods in demand have been withdrawn from production. For example, enterprises of the Ministry of Local Industry have planned to halt production of seven product designations in 1980.

"Purchases from other republics will help us to correct the situation. Nearly 700 rubles worth of durable consumer goods, housewares and household chemical products were purchased at interrepublic fairs in Moscow, and republic enterprises under union jurisdiction are delivering 80 million rubles worth of various goods. Nor should we overlook deliveries of imported goods to the republic. Imports of many products are larger than last year. On the whole the "addition" of goods from outside exceeds that amount by 1.5 billion rubles, and that amounts to almost one-third of our own supplies.

"But we are unable at present to fully meet the demand of customers for certain goods. Cast-iron stoves (pechnoye lit'ye), for example. In reference to the letter of I. Shpilevskiy and other readers I will say that there will be a shortage this year. The trade sector's order has been only half filled. There is a shortage of men's cotton socks, though there is a wide assortment of cotton socks with a slight admixture of elastic, and there is a good demand for them. Shoes for elderly men are being manufactured by industry in adequate amounts. Should they be lacking in the stores in Polotsk or Lepel' for some period of time, then the trade sector is entirely responsible. The Pomorin toothpaste S. Paley writes about is imported into the republic. We have not yet been able to organize uninterrupted trade in this article. But we have good toothpastes, Myatnaya, Apel'sinovaya and others, which can replace Pomorin.

"As for bed linen and certain cotton fabrics, it is true that the trade in these articles has been irregular in the recent past. But has there been a smaller amount of them? Not at all. By comparison with 1978 the delivery of bed sheets in 1979, for example, was up almost 40 percent, and that of pillowcases 13 percent, and the supply of quilt covers has remained at the level from previous years. There has been a drop in deliveries of children's bed linen, but the situation will be corrected this year. Nearly 100,000 units more will be put on sale.

"Nor has there been a reduction in the republic of the output of such fabrics of cotton and sateen. The reason for the shortage of these goods lies in the unexpectedly larger demand. People have begun to purchase these goods in larger amounts because of various rumors. There have also been rumors concerning bed linen, laundry soap and other products. Yet just a year or two ago there was an abundance of these goods in the stores, even though the production of them was smaller.

"As for the fact that inexpensive goods are first to disappear from the shelves of stores, I concur fully in the critical remark on that point. It actually is less profitable for industrial enterprises to produce cheap goods. Year after year the Minsk Footwear Production Association Luch, the Minsk Lightweight Woolens Combine, the Gomel' Garment Production Association Komintern, and many enterprises of the Belorussian Ministry of Light Industry and Ministry of Local Industry have failed to fulfill plans for the specific list of products.

"The republic's council of ministers last year established an additional assignment for production of a number of goods for which there is a large demand. But the ministries of light industry, local industry and consumer services did not fulfill their targets for production of cotton thread, crib sheets, toothbrushes, furniture and women's toilet articles. There is one conclusion to be drawn: planning authorities to emphasize the orders of the trade sector, the interests of consumers and product quality."

Question: There is no doubt, Nikolay Aleksandrovich, that there is a large unused potential in the industrial sector for increasing the output of goods in great demand, and not all of the potential is being used effectively enough. But probably there is also such potential in the trade sector. After all, the people in the trade sector have a considerable say about what goods appear on store shelves, the quality of those goods, and the time it takes the consumer to obtain an article that is available in the trade network.

Answer: That is all true. We do have unused potential, and unfortunately it is not all being put to use, and the republic's trade sector was rightly criticized for this at the 20th Plenum of the Belorussian CP Central Committee. One of the key problems of this sector is finding additional supplies of goods. If this matter is not to remain a mere wish, we must make a new assessment of our attitude toward working with industry, we must find specific and effective ways of exerting pressure so that the goods we order are produced, and we must renounce the present practice of endless and futile correspondence with suppliers and various agencies. The first steps are being taken in that direction. Together with oblispolkoms the Ministry of Trade is taking part in identifying unused potential of industrial enterprises for increasing their production of goods for which demand is not now being met. Specific recommendations will be made for each enterprise on the basis of the results of the survey.

In taking a more exacting attitude toward industry, we must also avoid our own serious shortcomings, especially in determining the market's needs for particular goods. Because of insufficient familiarity with demand we often make mistakes when we submit orders to industry. That is why we are imposing higher requirements on the staff service for study of demand, which now exists in almost all subdivisions. This year its staffing will be considerably strengthened by the addition of more qualified personnel.

Trade is reproached rather frequently because outdated models and styles of goods appear on store shelves. These charges are justified. Wholesale depots do not always take steps to update certain types of goods in good time. Serious shortcomings in this effort are a principal reason why stocks of stale goods build up, and they result in a loss of the resources they embody and represent a great loss to the economy. That is why in our relations with the industrial sector we are emphasizing the question of updating the assortment and of monitoring product quality. Yet it cannot be said that trade paid little attention to this credit previously. Over the past year for enterprises of Belorussian Ministry of Light Industry alone one pair of footwear in ten was rejected, as were many knitwear articles, and 9 percent of the sewn garments checked. These figures are considerably higher for the Ministry of Local Industry. Penalties for low quality have run into hundreds of thousands of rubles for the Minsk Footwear Production Association Luch, the Mogilev Garment Factory imeni Volodarskiy, the Polotsk and Orsha garment factories and many other enterprises. But does this penalty frighten anyone? No! This is money out of the pocket of the

state. There are many problems here, and they have been well treated in the article entitled "Quality Strategy," published last year in SOVETSKAYA BELORUSSIYA.

The question of improving the quality of customer service is an extremely important one. The problem of lines is a very urgent one. We feel that in addition to enhancing personal responsibility of store personnel, there are many economic factors that can help here: adoption of progressive systems of remuneration, worker incentives based on fulfillment of plans for sales of specific goods rather than volume, and so on. But we will be fair. Suppliers who have been delivering their products irregularly or whose deliveries have been short are also largely at fault in this case. For instance, the Pinsk Knitted Outerwear Combine and the Lida Footwear Factory fairly often deliver more than 60 percent of the monthly plan of products they produce in the last 10 days of the month. This is the reason for the "dumping" of certain goods in the last days of the month, which, of course, arouses nervousness in the operation of trade, forces customers to wait for a long time in lines to obtain the goods they need. In order to solve this problem we must immediately, beginning with this year's wholesale fairs, make the transition to concluding contracts for delivery of goods with the industrial sector not on a month-to-month basis, as is now done, but on a 10-day basis. The Ministry of Trade has repeatedly put this issue before the Ministry of Light Industry, but so far it has not found solutions. Dispatcher services have been set up in the trade sector to monitor the delivery of goods and see that deliveries are regular, but they are not always able to do so.

The success in anything, as we know, depends on personnel. Much depends on their competence and exceptional discipline. Particular attention was turned to this in the speech of Comrade L. I. Brezhnev at the November (1979) Plenum of the CPSU Central Committee. In the light of these demands each specific case of a shortage of commodities resulting from irresponsibility of particular workers in the trade sector will be taken up specifically in sessions of the ministry's collegiums, and the strictest steps will be taken against those found responsible.

One thing is clear: the funds which the state is investing to develop the trade sector and the industry producing consumer goods must be used so that every consumer has a real opportunity to buy everything he and his family need.

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